

23826

TRUST DEED Vol. 77 Page 205

THIS TRUST DEED made this 4th day of January 1977 between

RONALD A. JONES and KAREN S. JONES, husband and wife

as grantor, William Gengen, Jr. as trustee, and

FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION of Klamath Falls, Oregon, a corporation organized and existing under the laws of the United States, as beneficiary.

WITNESSETH:

The grantor irrevocably grants, bargains, sells and conveys to the trustee, in trust, with power of sale, the property in Klamath County, Oregon, described as:

LOT 74, MERRYMAN'S REPLAT OF VACATED PORTION OF OLD ORCHARD MANOR, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

which said described real property is not currently used for agricultural, timber or grazing purposes,

together with all and singular the appurtenances, tenements, hereditaments, rents, issues, profits, water rights, easements or privileges, now or hereafter belonging to, derived from or in anywise pertaining to the above described premises; and all plumbing, lighting, heating, ventilation, air-conditioning, refrigerating, water and irrigation apparatus, equipment and fixtures, together with all awnings, venetian blinds, floor covering in place such as wall-to-wall carpeting and linoleum, shades and built-in appliances now or hereafter installed in or used in connection with the above described premises, including all interest therein which the grantor has or may hereafter acquire, for the purpose of securing performance of each agreement of the grantor herein contained and the payment of the sum of ~~ONE HUNDRED EIGHTY SEVEN THOUSAND EIGHTY~~ (\$27,800.00) Dollars with interest thereon according to the terms of a promissory note of even date herewith, payable to the beneficiary or order and made by the grantor, principal and interest being payable in monthly installments of \$ 229.35 commencing

FEBRUARY 20, 1977

The grantor shall further secure the payment of such additional money as may be found hereafter by the beneficiary to the grantor or others having an interest in the above described property, as may be evidenced by a note of note. If the indebtedness secured by this trust deed is evidenced by more than one note, the beneficiary may credit payments received by it upon any of said notes or part of any payment on one note and part on another, as the beneficiary may elect.

The grantor hereby covenants to and with the trustee and the beneficiary, that the said premises and property conveyed by this trust deed are free and clear of all encumbrances and that the grantor will and his heirs, executors and administrators shall warrant and defend his said title thereto against the claims of all persons whomsoever.

The grantor covenants at and before the making of this note, to pay, according to the terms of, and while the same remains unpaid, all other charges levied against said property to the tax collector and property free from all encumbrances having pre-eminence over this trust deed; to complete all buildings in course of construction or remodeled, constructed on said premises within six months from the date hereof or the date construction is hereafter commenced; to repair and restore promptly and to good workmanlike manner any building or improvement on said property which may be damaged or destroyed and pay, when due, all costs incurred therefor, to allow beneficiary to inspect said property at any time during the period of one year after the date of this note, if the same is unsatisfactory to such beneficiary within fifteen days after written notice from beneficiary of such fact, not to remove or destroy any building or improvement now or hereafter constructed on said premises or to lay off buildings and improvements now or hereafter erected upon said property; to keep all buildings and improvements now or hereafter erected on said premises continuously insured against loss by fire or other peril, and to furnish to the beneficiary, at the time of the issuance of the policy, a certificate of insurance showing the original principal sum of the note or obligation, and by this trust deed, in a company or companies acceptable to the beneficiary, and to deliver the original policy of insurance in correct form and with approved loss payable clause in favor of the beneficiary attached and with premium paid to the principal place of business of the beneficiary, at least fifteen days prior to the effective date of any such policy of insurance. If said policy of insurance is not so tendered, the beneficiary may in its discretion obtain, from the company or companies acceptable to the beneficiary, the original policy of insurance and furnish to the beneficiary a full copy of the policy thus obtained.

That for the purpose of providing regularly for the prompt payment of all taxes, assessments, and governmental charges levied or assessed against the above described property and insurance premiums until the indebtedness accrued hereby is in excess of 80% of the lesser of the original purchase price paid by the grantor at the time the loan was made or the beneficiary's original appraisal value of the property at the time the loan was made, grants will be made by the beneficiary to the grantor, to be collected herefrom, the date of payment of principal and interest as payable in amounts equal to 1/12 of the taxes, assessments and other charges due and payable with respect to said property, plus each succeeding 12 months and also 1/12 of the insurance premium paid with respect to said property within each succeeding three year cycle of this Trust Deed as is estimated and elected by the beneficiary. Beneficiary shall pay to the grantor interest on said account at a rate not less than the highest rate authorized to be paid by law on their trust savings accounts minus 3 1/4% or 1/2%. If such rate is less than 1/2%, the rate of interest paid shall be 1/2%. Interest shall be computed on the average monthly balance in the account and shall be paid quarterly to the grantor by crediting to the account accompanying the amount of the interest due.

While the grantor is to pay any and all taxes, assessments and other charges levied or assessed against said property, or any part thereof, before the same begin to bear interest and also to pay premiums on all insurance collected and said property, and to collect same from the grantor, the grantor hereby authorizes the beneficiary to pay any and all taxes, assessments and other charges levied or imposed against said property in the amount of 10% of the amount of taxes, assessments, and insurance premiums collected by the grantor, and to deduct the amount thereof from the amount shown on the statement of account, and to apply the same to the grantor's account, and to deduct the amount of any taxes, assessments, and insurance premiums which may be required from the reserve account, for the purpose of the grantor's account, and to hold the beneficiary harmless for failure to have any insurance written for any loss or damage, flowing out of or resulting from the grantor's negligence, carelessness, or want of skill, in computing any premium or charge, and the beneficiary hereby is authorized, in the name of the grantor, to communicate and settle with any insurance company and to apply any such insurance proceeds upon the obligations secured by this trust deed. In computing the amount of the indebtedness for payment and satisfaction in full or upon sale or other disposition of the indebtedness for payment and satisfaction in full or upon sale or other

acquisition of the property by the beneficiary after default, any balance remaining in the reserve account shall be credited to the indebtedness. If any anticipated reserve account for taxes, assessments, insurance premiums and other charges is not sufficient at any time for the payment of such charges as they become due, the grantor shall pay the deficit to the beneficiary upon demand, and if not paid within ten days after such demand, the beneficiary may at its option add the amount of such deficit to the principal of the obligation secured hereby.

Should the grantor fail to keep any of the foregoing covenants, then the beneficiary may, at its option carry out the same, and all its expenditures therefor shall draw interest at the rate specified in the note, shall be repayable by the grantor on demand and shall be secured by the lien of this trust deed. In this connection, the beneficiary shall have the right in its discretion to complete any improvement made on said premises and also to make any other repairs to said property as in its discretion may appear necessary.

The grantor further agrees to comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting said property; to pay all costs, fees and expenses of this trust, including the cost of title search, as well as the other costs and expenses of the trustee, incurred in connection with or in enforcing this obligation, and trustee's and attorney's fees actually incurred, to appear in and defend all actions, suits, proceedings, and appeals, and to pay all costs and expenses, including cost of evidence of title, and attorney's fees in a reasonable sum to be fixed by the court, in any such action or proceeding in which the beneficiary or trustee may appear and in any suit brought by beneficiary to foreclose this deed, and all costs and expenses shall be secured by this trust deed.

The beneficiary will furnish to the grantor, within ten days, the amount of the principal and interest due and unpaid, and the amount required to furnish any further statements of account.

It is mutually agreed that:

- the grantor, at his option, may at any time, take possession of all of this property, shall be taken under the right of eminent domain or condemnation, the beneficiary shall have the right to commence, prosecute in its own name, appear in or defend any action or proceeding, or to make any compromise or settlement in connection with such taking and, if it so elects, to require that all or any portion of the money payable by compensation for such taking which are in excess of the amount required to pay all reasonable costs, expenses and attorney's fees necessarily paid or incurred by the grantor in such proceeding, shall be paid to the beneficiary, and, if any portion of the amount so paid or incurred by the grantor in such proceeding, and the balance unpaid upon the indebtedness accrued hereby, and the grantor agrees, at its own expense, to take such action and execute such instruments as shall be necessary in obtaining such compensation, promptly upon the beneficiary's request;

at any time and from time to time upon written request of the beneficiary, payment of its fees and disbursement of this deed, and the note for the discharge of the same, for cancellation, without affecting the liability of any person for the payment of the indebtedness, the trustee may (a) consent to the transfer of any part or all of said property; (b) join in granting any easement or creating any restriction thereon; (c) enter into any subordination or other agreement affecting this note or the right or charge hereon; (d) convey without consideration, any part or all of said property to the grantor, and the grantor, in the event of any transfer of part or all of said property, and the regular division of any transfers of part or all of said property, shall be conclusive proof of the truthfulness thereof. Trustee's fees for any of the services in this paragraph shall be \$5.00.

In addition, during the grantor hereby agrees to benefit from the continuance of this trust, without leases, royalties and profits of the property affected by this trust, and of any personal property located thereon. Until grantor shall default in the payment of any indebtedness secured thereby, or if the performance of any agreement hereunder granted shall have the right to collect all such leases, royalties and profits earned prior to default as the beneficiary may be payable. Due any default by the grantor in amount and term, the grantor may at any time without notice, either in person, by agent, or by registered or certified mail, or by attorney, sue in any court of competent jurisdiction, for the collection of all amounts due and unpaid, and for the recovery of all property or any part thereof in its possession due for or otherwise collected, the rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as the beneficiary may determine.

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6. The entering upon and taking possession of said property, the collection of such rents, issues and profits or the proceeds of fire or other damage to the property, and compensation or awards for such damage of the property, and the application or release thereof, as the same shall not cure or waive any default or notice or defense however or invalidate any act done pursuant to such notice.

7. The grantor shall notify beneficiary in writing of any sale or contract for sale of the above described property and furnish beneficiary on a form supplied by him with such personal information concerning the proposed sale as would ordinarily be required of a new loan applicant and shall pay beneficiary a service charge.

8. Time is of the essence of this instrument and upon default by the grantor in payment of any indebtedness accrued hereby or in performance of any agreement hereunder, the beneficiary may declare all sums secured hereby immediately due and payable by delivery to the trustee of written notice of default and election to sell the trust property, which notice trustee shall cause to be duly filed for record. Upon delivery of such notice the trust deed and all promissory notes and documents concerning expenditures secured hereby, whenever the trustees shall fix the time and place of sale and give notice thereof as then provided.

9. After default and any time prior to five days before the date set by the trustee for the trustee's sale, the grantor or his attorney so privileged may pay the entire amount then due under this trust deed and the obligations accrued thereon, together with all expenses actually incurred in enforcing the terms of this obligation, trustee's and attorney's fees not exceeding \$200.00, and other than such portion of the principal as would not then be due if no default occurred and thereby cure the default.

10. After the lapse of each time as may then be required by law following the recording of said notice of default and giving of such notice, the trustee shall sell property at the time and place named by him in said notice of sale, either as a whole or in separate parcels, in such order as he may determine, at public auction to the highest bidder for each, in lawful money of the United States, payable at the time of sale. Trustee may postpone sale of all or any portion of the property by public announcement at such time and place as sale and from time to time thereafter may postpone the sale by public an-

nouncement at the time fixed by the preceding postponement. The trustee shall deliver to the purchaser his deed in form as required by law, _____, and the property so sold, but without any covenant or warranty, express or implied, save the covenants in the deed of any master or fact and be conclusive proof of the truthfulness thereof. Any person, excluding the trustee but including the grantor and the beneficiary, may purchase at the sale.

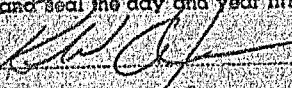
11. When the trustee sells pursuant to the powers provided herein, the trustee shall apply the proceeds of the trustee's sale as follows: (1) To the expenses of the sale including the compensation of the trustee, and the reasonable charge by the attorney. (2) To the obligation secured by the trust deed. (3) To all persons having recorded liens or encumbrances on the property in the interest of the trustee. In the trust deed as to their interests appear in the order of their priority. (4) Any surplus to be distributed to the grantor of the trust deed or to his successor in interest entitled to such surplus.

12. For any reason permitted by law, the beneficiary may from time to time appoint a successor or successors to any trustee named herein, or to any successor trustee appointed hereunder. Upon such appointment and without any limitation, the trustee shall be vested with all the powers and duties conferred upon any trustee herein named or appointed hereunder. Each such appointment and substitution shall be put in writing and instrument executed by the beneficiary. Counterparts in reference to this trust deed and its acts of record, when recorded in the office of the county clerk or recorder of the county in which the property is situated, shall be conclusive proof of proper appointment of the successor trustee.

13. Trustee accepts this trust when this deed, duly executed and acknowledged is made a public record, as provided by law. This deed is not obligated to notify any party hereto of the creation of this trust or of any action or proceeding which the grantor, beneficiary or trustee shall be a party unless such action or proceeding is brought by the trustee.

14. This deed applies to heirs to the benefit of, and devise, all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term "beneficiary" shall mean the holder, assignee and a beneficiary, pledgee, of the note secured hereby, whether an individual or a corporation herein. In construing this deed and its provisions, the context so requires the masculine gender includes the feminine and/or nouns, and the singular number includes the plural.

IN WITNESS WHEREOF, said grantor has hereunto set his hand and seal the day and year first above written.

 (SEAL)

 (SEAL)

STATE OF OREGON
County of Klamath

THIS IS TO CERTIFY that on this 5 day of January, 1977, before me, the undersigned a Notary Public in said for said county and state, personally appeared the within named

RONALD A. JONES and KAREN S. JONES, husband and wife

to me personally known to be the identical individuals named in and who executed the foregoing instrument and acknowledged to me that to me personally known to be the identical individuals named in and who executed the foregoing instrument and acknowledged to me that

they signed the same freely and voluntarily for the uses and purposes therein expressed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.


Notary Public for Oregon
My commission expires: 10-13-78

(SEAL)

Loan No. 1

TRUST DEED

Gantor

TO
FIRST FEDERAL SAVINGS &
LOAN ASSOCIATION

Beneficiary

After Recording Return To:
FIRST FEDERAL SAVINGS
540 Main St.
Klamath Falls, Oregon

FEE \$ 6.00

(DON'T USE THIS
SPACE RESERVED
FOR RECORDING
LABEL IN COUN-
TIES WHERE
USED.)

STATE OF OREGON ss.
County of Klamath

I certify that the within instrument was received for record on the 5 day of JANUARY, 1977, at 11:10 o'clock A.M., and recorded in book M-77 on page 205. Record of Mortgages of said County.

Witness my hand and seal of County affixed.

W. M. D. MILNE County Clerk

 Deputy

REQUEST FOR FULL RECONVEYANCE

To be used only when obligations have been paid.

By William Gamone

The undersigned is the owner, survivor and holder of all indebtedness secured by the foregoing trust deed. All sums secured by said trust deed or have been fully paid and satisfied. You hereby are directed on payment to you of any sums owing to you under the terms of said trust deed or pursuant to statute, to cancel all indebtedness secured by said trust deed (which are delivered to you here with together with said trust deed) and to receive(s) without warranty, to the parties designated by the terms of said trust deed the estate now held by you under the terms of said trust deed.

First Federal Savings and Loan Association, Beneficiary

By _____

DATED: